

## **DETAILED ACTION**

### ***Status***

1. This action is in response to the amendment filed on October 6, 2009. Claims 36-83 are pending. Claims 1-35 are cancelled. Claims 81-83 have been added. Claims 33-38, 40, 45, 49-51, and 66 have been amended.

### ***Response to Arguments***

2. Applicant's arguments filed October 6, 2009 have been fully considered but they are not persuasive. Applicant has argued that the cited art does not teach "a second tool to select an amount of the plurality of loans from each of the plurality of risk results up to a designated target loan sample size" and "selecting... an amount of loans from each of the plurality of risk results up to the designated target loan sample size." The examiner respectfully disagrees. As can be seen in Libman col. 5, lines 35-67. The information for a loan is obtained and collected into a set. At some point in the process a "set" is obtained and the collection process ends. At the point where the selection process ends there is a target loan sample size that exists within the set. It can also be seen in Fig. 3 and 4a that an amount of loans are put into multiple pools based on risk/delinquency factors. The applicant has argued on pg. 16 of applicant's arguments that Libman teaches away from a designated target sample size. The examiner respectfully disagrees. Though Libman does teach a large amount of samples, Libman does create a set. The applicant has not claimed a minimum amount of loan samples for their set

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nor have they specifically stated that their invention does not include a large number of samples. The applicant has merely stated that a sample size is created. Libman teaches this limitation.

3. Applicant's arguments with respect to claims 81-83 have been considered but are moot in view of the new ground(s) of rejection.

***Claim Rejections - 35 USC § 101***

4. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 36-50, and 81 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

Claims 36-50, and 81 are rejected under 35 U.S.C. 101 because in claims 36 and 81 the applicant is claiming a system solely comprising various modules and tools, which are interpreted as software *per se*. Software *per se* is non-statutory subject matter.

Appropriate correction is required.

***Claim Rejections - 35 USC § 103***

5. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

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(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

6. Claims 36, 37 are rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of Libman (US 2007/0043654).

7. Regarding claim 36, Acosta teaches a loan pool module to store loan-level data associated with each of one or more loans in a loan pool (col. 3, line 35-60 and col. 1, line 63 – col. 3, line 16). Acosta teaches a loan pool module to store loan-level data associated with each of one or more loans in a loan pool (col. 3, line 35-60 and col. 1, line 63 – col. 3, line 16). Acosta teaches a sample selection module to detect samples of different criteria in the loan pool, the sample selection module including a loan aggregation tool to aggregate the loans into a plurality of specific criteria results based on the loan-level data, and a sampling tool to select an amount of the loans from the plurality of results of a specific criteria up to a designated target loan sample size (col. 3, line 35-60 and col. 1, line 63 – col. 3, line 16, col. 9, lines 11-25). Acosta does not specifically teach wherein the sampling specifically involves high risk loans. However, Business Wire teaches wherein the selection tool detects high risk loans including different risk results (pg. 1-2). Acosta teaches loan sampling based on various criteria while Business Wire teaches loan sampling specifically by the risk status of the loan. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of analyzing based on risk. Analyzing loans based

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on risk provides the ability to measure, and thereby improve, loan quality, while significantly reducing the operational costs of compliance. Improved loan quality attracts more and better borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a well known characteristic of a loan. Acosta does not specifically teach aggregating a plurality of loans in a loan pool into a plurality of risk results or selecting an amount of a plurality of loans from each of a plurality of risk results to make a sample size. However, Libman teaches aggregating a plurality of loans in the loan pool into a plurality of risk results based on the loan-level data (§§ 37-46, 57). Libman also teaches selecting an amount of the plurality of loans from each of the plurality of risk results up to a designated target loan sample size (§§ 37-46, 57). Acosta teaches servicing of loan portfolios and loan servicing portfolios. Libman teaches evaluating loans, and more particularly, to a system and method for providing a mortgage loan pricing model for various lending scenarios. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of analyzing based on risk. Analyzing loans based on risk provides the ability to measure, and thereby improve, loan quality, while significantly reducing the operational costs of compliance. Improved loan quality attracts more and better borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a well known characteristic of a loan. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of aggregating loans into a loan pool based on risk. Effective management of the loan pool's risk requires understanding and control of the risk profile and its culture. There must have a thorough

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knowledge of the pool's composition and its inherent risks. It is important to understand a pools mix, industry and geographic concentrations, average risk ratings, and other aggregate characteristics. The policies, processes, and practices implemented to control the risks of individual loans and portfolio segments must be sound. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include selecting an amount of loans from the risk results to a designated loan sample size. A target loan sample size allows the investor to control the number of loans in the pool but also allows for a control of the risk. The greater the number of high risk investments involved in the pool the more risk the investor will have.

8. Regarding claim 37, Acosta teaches a current loan sample size and a target loan sample size (col. 9, line 11-25).

9. Claims 38, 39 are rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of Tealdi (US 20010029482 A1) in further view of Libman (US 2007/0043654).

10. Regarding claim 38, Acosta teaches loan sampling, while Business Wire teaches the loan sampling of high risk loans. The combination of Acosta and Business Wire does not specifically teach the act of underwriting the loan. However, Tealdi teaches an automated underwriting tool to aggregate the loans based on one or more underwriting categories (§ 125-138). The combination of Acosta and Business Wire teach a risk loan

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sampling tool. Tealdi teaches an automatic system for handling loans. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of underwriting a loan into different categories into the system of Acosta. As in Tealdi it is within the capabilities of one of ordinary skill in the art to add steps involved in loan processing to an invention which includes loan sampling. The technique of underwriting a loan was old and well known at the time of the invention.

11. Regarding claim 39, Acosta teaches loan sampling, while Business Wire teaches the loan sampling of high risk loans. The combination of Acosta and Business Wire does not specifically teach the act of underwriting the loan a into the categories of reject, prime and sub-prime. However, Tealdi teaches wherein the underwriting categories include reject, prime, and sub-prime categories (§ 125-138). The combination of Acosta and Business Wire teach a risk loan sampling tool. Tealdi teaches an automatic system for handling loans. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of underwriting a loan into different categories into the system of Acosta. As in Tealdi it is within the capabilities of one of ordinary skill in the art to add steps involved in loan processing to an invention which includes loan sampling. The technique of underwriting a loan including reject, prime, and sub-prime was well known in the art at the time of the invention.

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12. Claims 40, 41, are rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of Libman (US 2007/0043654).

13. Regarding claim 40, Acosta teaches wherein the loan aggregation tool includes an adverse selection query tool to aggregate the loans based on one or more loan parameters associated with a profile of the loan pool (col. 3, line 35-60). Acosta does not specifically teach wherein the sampling specifically involves loan risk. However, Business Wire teaches loan sampling in association with risk (pg. 1-2). Acosta teaches loan sampling based on various criteria while Business Wire teaches loan sampling specifically by the risk status of the loan. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of analyzing based on risk. Analyzing loans based on risk provides the ability to measure, and thereby improve, loan quality, while significantly reducing the operational costs of compliance. Improved loan quality attracts more and better borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a well known characteristic of a loan.

14. Regarding claim 41, Acosta teaches wherein the loan parameters include one or more numeric field values associated with the loans (col. 1, line 63 – col. 3, line 16). Acosta does not specifically teach wherein the sampling specifically involves loan risk. However, Business Wire teaches loan sampling in association with risk (pg. 1-2).

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Acosta teaches loan sampling based on various criteria while Business Wire teaches loan sampling specifically by the risk status of the loan. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of analyzing based on risk. Analyzing loans based on risk provides the ability to measure, and thereby improve, loan quality, while significantly reducing the operational costs of compliance. Improved loan quality attracts more and better borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a well known characteristic of a loan.

15. Claim 42 is rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of Tealdi (US 20010029482 A1) in further view of Libman (US 2007/0043654).

16. Regarding claim 42, Acosta teaches loan sampling, while Business Wire teaches the loan sampling of high risk loans. The combination of Acosta and Business Wire does not specifically teach all the specific numeric fields as claimed. However, Tealdi teaches wherein the numeric field values include current balance, loan-to-value, combined loan-to-value, debt-to-income ratio, and delinquent (§§ 116, 128, 146, 169). The combination of Acosta and Business Wire teach a risk loan sampling tool. Tealdi teaches an automatic system for handling loans. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of the specific numeric field values. As in Tealdi it is within the capabilities of one of



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ordinary skill in the art to add steps involved in loan processing to an invention which includes loan sampling. The various values were well known in the art to be associated with loans. Acosta does not specifically teach analyzing by the number of days delinquent. However, Libman teaches including the number of days delinquent (see at least ¶ 44-49). Acosta teaches servicing of loan portfolios and loan servicing portfolios. Libman teaches evaluating loans, and more particularly, to a system and method for providing a mortgage loan pricing model for various lending scenarios. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of associating days delinquent on paying a loan with risk. There is often a direct correlation between late payments and the risk associated with a specific loan. A loan defaults when the person who has the loan is unable to pay the loan. Thus if someone is delinquent in payment depending on the number of days late there is a greater chance as the payment is later and later of there eventually being a default on the account.

17. Claims 43-45 are rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of Libman (US 2007/0043654).

18. Regarding claim 43, Acosta teaches wherein loan parameters include one or more text field values associated with loans (col. 3, line 35 – col. 5, line 58).

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19. Regarding claim 44, Acosta teaches wherein the text field values include property type, documentation type, origination channel, and product type (col. 3, lines 35-60).

20. Regarding claim 45, Acosta teaches sampling for a loan. Acosta does not specifically teach wherein the sampling specifically involves loan risk. Acosta does teach reporting loans, but does not teach the specific criteria of a high risk loan. However, Business Wire teaches wherein the loan aggregation tool includes a high risk reporting tool to aggregate the loans based on one or more high risk report categories (pg. 1-2). Acosta teaches loan sampling based on various criteria while Business Wire teaches loan sampling specifically by the risk status of the loan. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of analyzing based on risk. Analyzing loans based on risk provides the ability to measure, and thereby improve, loan quality, while significantly reducing the operational costs of compliance. Improved loan quality attracts more and better borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a well known characteristic of a loan.

21. Claim 46 is rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of Avery (1996) in further view of Libman (US 2007/0043654) in view of Jewell (1999) in further view of Cole (2002/0133371).

22. Regarding claim 46, the combination of Acosta and Business Wire teaches loan sampling involving risk. Acosta and Business Wire do not specifically teach all the specific high risk report categories. However, Avery teaches wherein the high risk report categories include high risk locations, portfolio concentrations, borrower concentrations, and zip code concentrations. Acosta teaches loan sampling based on various criteria while Business Wire teaches loan sampling specifically by the risk status of the loan. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of analyzing based on risk report categories. Analyzing loans based on risk provides the ability to measure, and thereby improve, loan quality, while significantly reducing the operational costs of compliance. Improved loan quality attracts more and better borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a well known characteristic of a loan. The more categories analyzed the more information received on the loan and the better assessment that is made. Acosta does not specifically teach a high risk category being fraud results. However, Jewell teaches wherein fraud results are a high risk category. It would have been obvious at the time of the invention to modify Acosta with high risk categories including fraud results. When an individual commits fraud the individual has the intention of cheating a company or person out of money. As a business it is not wise to fall for any fraudulent attempts as it is a loss of profits. The more information received about a possible fraud attempt the better. Thus it is important to check fraud results when doing any type of high risk report in relation to any type of financial banking,

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including loans. This is further evidenced by Cole with teaches a method of detecting fraud in relation to mortgage or loan applications.

23. Claim 47 is rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of Tealdi (US 20010029482 A1) in further view of Libman (US 2007/0043654).

24. Regarding claim 47, Acosta teaches loan sampling, while Business Wire teaches the loan sampling of high risk loans. The combination of Acosta and Business Wire does not specifically teach all the specific numeric fields as claimed. However, Tealdi teaches wherein the risk results include automated underwriting results, adverse selection query results, and high risk profile results (§ 64, 187-188, abstract). The combination of Acosta and Business Wire teach a risk loan sampling tool. Tealdi teaches an automatic system for handling loans. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of the specific risk results. As in Tealdi it is within the capabilities of one of ordinary skill in the art to add steps involved in loan processing to an invention which includes loan sampling. The various risk results were well known in the art at the time of the invention to be associated with loans.

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25. Claims 48-50 are rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of Libman (US 2007/0043654).

26. Regarding claim 48, Acosta teaches wherein the sampling tool includes a loan selection tool to select an amount of loans from each result to fill the target loan sample size (col. 3, line 35-60 and col. 1, line 63 – col. 3, line 16, col. 9 line 11 - 25). Acosta does not specifically teach wherein the sampling specifically involves high risk loans. However, Business Wire teaches wherein the selection tool detects high risk loans including different risk results (pg. 1-2). Acosta teaches loan sampling based on various criteria while Business Wire teaches loan sampling specifically by the risk status of the loan. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of analyzing based on risk. Analyzing loans based on risk provides the ability to measure, and thereby improve, loan quality, while significantly reducing the operational costs of compliance. Improved loan quality attracts more and better borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a well known characteristic of a loan.

27. Regarding claim 49-50, Acosta teaches loan sampling based on criteria. Acosta does not specifically teach random sampling. However, Business Wire teaches wherein the loan selection tool randomly selects the loans to fill the target loan sample size (pg. 1-2). Acosta teaches loan sampling based on various criteria while Business Wire

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teaches loan sampling specifically by the risk status of the loan. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of random sampling. Random sampling's benefits lie in simple probability given a large enough sample, a random selection should produce a representative cross-section of the thing being sampled. It is important for the purposes of analyzing the most data representative data possible.

28. Claims 51, 52 are rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of Libman (US 2007/0043654).

29. Regarding claim 51, Acosta teaches designating a target loan sample size (col. 3, line 35-60 and col. 1, line 63 – col. 3, line 16). Acosta teaches aggregating loans in a loan pool into a plurality of results based on loan-level data associated with each of one or more loans in the loan pool (col. 3, line 35-60 and col. 1, line 63 – col. 3, line 16, col. 9, lines 11-25). Acosta teaches selecting an amount of loans from the plurality of results up to the designated target loan sample size (col. 3, line 35-60 and col. 1, line 63 – col. 3, line 16, col. 9, lines 11-25, col. 9, lines 11-25). Acosta does not specifically teach wherein the sampling specifically involves high risk loans. However, Business Wire teaches wherein the selection tool detects high risk loans including different risk results (pg. 1-2). Acosta teaches loan sampling based on various criteria while Business Wire teaches loan sampling specifically by the risk status of the loan. It would have been

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obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of analyzing based on risk. Analyzing loans based on risk provides the ability to measure, and thereby improve, loan quality, while significantly reducing the operational costs of compliance. Improved loan quality attracts more and better borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a well known characteristic of a loan. Acosta does not specifically teach aggregating a plurality of loans in a loan pool into a plurality of risk results or selecting an amount of a plurality of loans from each of a plurality of risk results to make a sample size. However, Libman teaches aggregating loans in a loan pool into a plurality of risk results based on the loan-level data associated with each of one or more loans in the loan pool (§ 37-46, 57). Libman also teaches selecting an amount of the plurality of loans from each of the plurality of risk results up to a designated target loan sample size (§ 37-46, 57). Acosta teaches servicing of loan portfolios and loan servicing portfolios. Libman teaches evaluating loans, and more particularly, to a system and method for providing a mortgage loan pricing model for various lending scenarios. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of analyzing based on risk. Analyzing loans based on risk provides the ability to measure, and thereby improve, loan quality, while significantly reducing the operational costs of compliance. Improved loan quality attracts more and better borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a well known characteristic of a loan. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of aggregating

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loans into a loan pool based on risk. Effective management of the loan pool's risk requires understanding and control of the risk profile and its culture. There must have a thorough knowledge of the pool's composition and its inherent risks. It is important to understand a pools mix, industry and geographic concentrations, average risk ratings, and other aggregate characteristics. The policies, processes, and practices implemented to control the risks of individual loans and portfolio segments must be sound. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include selecting an amount of loans from the risk results to a designated loan sample size. A target loan sample size allows the investor to control the number of loans in the pool but also allows for a control of the risk. The greater the number of high risk investments involved in the pool the more risk the investor will have.

30. Regarding claim 52, Acosta teaches a current loan sample size and a target loan sample size (col. 9, line 11-25).

31. Claims 53, 54, are rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of Tealdi (US 20010029482 A1) in further view of Libman (US 2007/0043654).

32. Regarding claim 53, Acosta teaches loan sampling, while Business Wire teaches the loan sampling of high risk loans. The combination of Acosta and Business Wire



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does not specifically teach the act of underwriting the loan. However, Tealdi teaches an automated underwriting tool to aggregate the loans based on one or more underwriting categories (§§ 125-138). The combination of Acosta and Business Wire teach a risk loan sampling tool. Tealdi teaches an automatic system for handling loans. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of underwriting a loan into different categories into the system of Acosta. As in Tealdi it is within the capabilities of one of ordinary skill in the art to add steps involved in loan processing to an invention which includes loan sampling. The technique of underwriting a loan was old and well known at the time of the invention.

33. Regarding claim 54, Acosta teaches loan sampling, while Business Wire teaches the loan sampling of high risk loans. The combination of Acosta and Business Wire does not specifically teach the act of underwriting the loan a into the categories of reject, prime and sub-prime. However, Tealdi teaches wherein the underwriting categories include reject, prime, and sub-prime categories (§§ 125-138). The combination of Acosta and Business Wire teach a risk loan sampling tool. Tealdi teaches an automatic system for handling loans. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of underwriting a loan into different categories into the system of Acosta. As in Tealdi it is within the capabilities of one of ordinary skill in the art to add steps involved in loan processing to an invention which includes loan sampling. The technique of underwriting

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a loan including reject, prime, and sub-prime was well known in the art at the time of the invention.

34. Claims 55, 56 are rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of Libman (US 2007/0043654).

35. Regarding claim 55, Acosta teaches wherein the loan aggregation tool includes an adverse selection query tool to aggregate the loans based on one or more loan parameters associated with a profile of the loan pool (col. 3, line 35-60). Acosta does not specifically teach wherein the sampling specifically involves loan risk. However, Business Wire teaches loan sampling in association with risk (pg. 1-2). Acosta teaches loan sampling based on various criteria while Business Wire teaches loan sampling specifically by the risk status of the loan. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of analyzing based on risk. Analyzing loans based on risk provides the ability to measure, and thereby improve, loan quality, while significantly reducing the operational costs of compliance. Improved loan quality attracts more and better borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a well known characteristic of a loan.

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36. Regarding claim 56, Acosta teaches wherein the loan parameters include one or more numeric field values associated with the loans (col. 1, line 63 – col. 3, line 16).

Acosta does not specifically teach wherein the sampling specifically involves loan risk.

However, Business Wire teaches loan sampling in association with risk (pg. 1-2).

Acosta teaches loan sampling based on various criteria while Business Wire teaches loan sampling specifically by the risk status of the loan. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of analyzing based on risk. Analyzing loans based on risk provides the ability to measure, and thereby improve, loan quality, while significantly reducing the operational costs of compliance. Improved loan quality attracts more and better borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a well known characteristic of a loan.

37. Claim 57 is rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of Tealdi (US 20010029482 A1) in further view of Libman (US 2007/0043654).

38. Regarding claim 57, Acosta teaches loan sampling, while Business Wire teaches the loan sampling of high risk loans. The combination of Acosta and Business Wire does not specifically teach all the specific numeric fields as claimed. However, Tealdi teaches wherein the numeric field values include current balance, loan-to-value, combined loan-to-value, debt-to-income ratio, and delinquent (§ 116, 128, 146, 169).

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The combination of Acosta and Business Wire teach a risk loan sampling tool. Tealdi teaches an automatic system for handling loans. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of the specific numeric field values. As in Tealdi it is within the capabilities of one of ordinary skill in the art to add steps involved in loan processing to an invention which includes loan sampling. The various values were well known in the art to be associated with loans. Acosta does not specifically teach analyzing by the number of days delinquent. However, Libman teaches including the number of days delinquent (see at least ¶ 44-49). Acosta teaches servicing of loan portfolios and loan servicing portfolios. Libman teaches evaluating loans, and more particularly, to a system and method for providing a mortgage loan pricing model for various lending scenarios. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of associating days delinquent on paying a loan with risk. There is often a direct correlation between late payments and the risk associated with a specific loan. A loan defaults when the person who has the loan is unable to pay the loan. Thus if someone is delinquent in payment depending on the number of days late there is a greater chance as the payment is later and later of there eventually being a default on the account.

39. Claims 58-60 are rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of Libman (US 2007/0043654).

40. Regarding claim 58, Acosta teaches wherein loan parameters include one or more text field values associated with loans (col. 3, line 35 – col. 5, line 58).

41. Regarding claim 59, Acosta teaches wherein the text field values include property type, documentation type, origination channel, and product type (col. 3, lines 35-60).

42. Regarding claim 60, Acosta teaches sampling for a loan. Acosta does not specifically teach wherein the sampling specifically involves loan risk. Acosta does teach reporting loans, but does not teach the specific criteria of a high risk loan. However, Business Wire teaches wherein the loan aggregation tool includes a high risk reporting tool to aggregate the loans based on one or more high risk report categories (pg. 1-2). Acosta teaches loan sampling based on various criteria while Business Wire teaches loan sampling specifically by the risk status of the loan. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of analyzing based on risk. Analyzing loans based on risk provides the ability to measure, and thereby improve, loan quality, while significantly reducing the operational costs of compliance. Improved loan quality attracts more and better borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a well known characteristic of a loan.

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43. Claim 61 is rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of Libman (US 2007/0043654) in further view of Avery (1996) in view of Jewell (1999) in further view of Cole (2002/0133371).

44. Regarding claim 61, the combination of Acosta and Business Wire teaches loan sampling involving risk. Acosta and Business Wire don't specifically teach all the specific high risk report categories. However, Avery teaches wherein the high risk report categories include high risk locations, portfolio concentrations, borrower concentrations, and zip code concentrations. Acosta teaches loan sampling based on various criteria while Business Wire teaches loan sampling specifically by the risk status of the loan. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of analyzing based on risk report categories. Analyzing loans based on risk provides the ability to measure, and thereby improve, loan quality, while significantly reducing the operational costs of compliance. Improved loan quality attracts more and better borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a well known characteristic of a loan. The more categories analyzed the more information received on the loan and the better assessment that is made. Acosta does not specifically teach a high risk category being fraud results. However, Jewell teaches wherein fraud results are a high risk category. It would have been obvious at the time of the invention to modify Acosta with high risk categories including fraud results. When an individual commits fraud the individual has

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the intention of cheating a company or person out of money. As a business it is not wise to fall for any fraudulent attempts as it is a loss of profits. The more information received about a possible fraud attempt the better. Thus it is important to check fraud results when doing any type of high risk report in relation to any type of financial banking, including loans. This is further evidenced by Cole with teaches a method of detecting fraud in relation to mortgage or loan applications.

45. Claim 62 is rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of Tealdi (US 20010029482 A1) in further view of Libman (US 2007/0043654).

46. Regarding claim 62, Acosta teaches loan sampling, while Business Wire teaches the loan sampling of high risk loans. The combination of Acosta and Business Wire does not specifically teach all the specific numeric fields as claimed. However, Tealdi teaches wherein the risk results include automated underwriting results, adverse selection query results, and high risk profile results (¶ 64, 187-188, abstract). The combination of Acosta and Business Wire teach a risk loan sampling tool. Tealdi teaches an automatic system for handling loans. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of the specific risk results. As in Tealdi it is within the capabilities of one of ordinary skill in the art to add steps involved in loan processing to an invention which includes loan

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sampling. The various risk results were well known in the art at the time of the invention to be associated with loans.

47. Claims 63-65 are rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of Libman (US 2007/0043654).

48. Regarding claim 63, Acosta teaches wherein the sampling tool includes a loan selection tool to select an amount of loans from each result to fill the target loan sample size (col. 3, line 35-60 and col. 1, line 63 – col. 3, line 16, col. 9 line 11 - 25). Acosta does not specifically teach wherein the sampling specifically involves high risk loans. However, Business Wire teaches wherein the selection tool detects high risk loans including different risk results (pg. 1-2). Acosta teaches loan sampling based on various criteria while Business Wire teaches loan sampling specifically by the risk status of the loan. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of analyzing based on risk. Analyzing loans based on risk provides the ability to measure, and thereby improve, loan quality, while significantly reducing the operational costs of compliance. Improved loan quality attracts more and better borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a well known characteristic of a loan.



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49. Regarding claim 64-65, Acosta teaches loan sampling based on criteria. Acosta does not specifically teach random sampling. However, Business Wire teaches wherein the loan selection tool randomly selects the loans to fill the target loan sample size (pg. 1-2). Acosta teaches loan sampling based on various criteria while Business Wire teaches loan sampling specifically by the risk status of the loan. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of random sampling. Random sampling's benefits lie in simple probability given a large enough sample, a random selection should produce a representative cross-section of the thing being sampled. It is important for the purposes of analyzing the most data representative data possible.

50. Claims 66-67 are rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of Libman (US 2007/0043654).

51. Regarding claim 66, Acosta teaches a computer with a storage medium with instructions. Acosta teaches designating a target loan sample size (col. 3, line 35-60 and col. 1, line 63 – col. 3, line 16). Acosta teaches aggregating loans in a loan pool into a plurality of results based on loan-level data associated with each of one or more loans in the loan pool (col. 3, line 35-60 and col. 1, line 63 – col. 3, line 16, col. 9, lines 11-25). Acosta teaches selecting an amount of loans from the plurality of results up to the designated target loan sample size (col. 3, line 35-60 and col. 1, line 63 – col. 3, line 16,

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col. 9, lines 11-25, col. 9, lines 11-25). Acosta does not specifically teach wherein the sampling specifically involves high risk loans. However, Business Wire teaches wherein the selection tool detects high risk loans including different risk results (pg. 1-2). Acosta teaches loan sampling based on various criteria while Business Wire teaches loan sampling specifically by the risk status of the loan. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of analyzing based on risk. Analyzing loans based on risk provides the ability to measure, and thereby improve, loan quality, while significantly reducing the operational costs of compliance. Improved loan quality attracts more and better borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a well known characteristic of a loan. Acosta does not specifically teach aggregating a plurality of loans in a loan pool into a plurality of risk results or selecting an amount of a plurality of loans from each of a plurality of risk results to make a sample size. However, Libman teaches aggregating loans in a loan pool into a plurality of risk results based on loan-level data associated with each of one or more loans in the loan pool (§§ 37-46, 57). Libman also teaches selecting an amount of loans from each of the plurality of risk results up to a designated target loan sample size (§§ 37-46, 57). Acosta teaches servicing of loan portfolios and loan servicing portfolios. Libman teaches evaluating loans, and more particularly, to a system and method for providing a mortgage loan pricing model for various lending scenarios. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of analyzing based on risk. Analyzing loans based on risk provides the ability to

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measure, and thereby improve, loan quality, while significantly reducing the operational costs of compliance. Improved loan quality attracts more and better borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a well known characteristic of a loan. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of aggregating loans into a loan pool based on risk. Effective management of the loan pool's risk requires understanding and control of the risk profile and its culture. There must have a thorough knowledge of the pool's composition and its inherent risks. It is important to understand a pools mix, industry and geographic concentrations, average risk ratings, and other aggregate characteristics. The policies, processes, and practices implemented to control the risks of individual loans and portfolio segments must be sound. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include selecting an amount of loans from the risk results to a designated loan sample size. A target loan sample size allows the investor to control the number of loans in the pool but also allows for a control of the risk. The greater the number of high risk investments involved in the pool the more risk the investor will have.

52. Regarding claim 67, Acosta teaches a current loan sample size and a target loan sample size (col. 9, line 11-25).

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53. Claims 68-69 are rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of Tealdi (US 20010029482 A1) in further view of Libman (US 2007/0043654).

54. Regarding claim 68, Acosta teaches loan sampling, while Business Wire teaches the loan sampling of high risk loans. The combination of Acosta and Business Wire does not specifically teach the act of underwriting the loan. However, Tealdi teaches an automated underwriting tool to aggregate the loans based on one or more underwriting categories (§ 125-138). The combination of Acosta and Business Wire teach a risk loan sampling tool. Tealdi teaches an automatic system for handling loans. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of underwriting a loan into different categories into the system of Acosta. As in Tealdi it is within the capabilities of one of ordinary skill in the art to add steps involved in loan processing to an invention which includes loan sampling. The technique of underwriting a loan was old and well known at the time of the invention.

55. Regarding claim 69, Acosta teaches loan sampling, while Business Wire teaches the loan sampling of high risk loans. The combination of Acosta and Business Wire does not specifically teach the act of underwriting the loan a into the categories of reject, prime and sub-prime. However, Tealdi teaches wherein the underwriting categories include reject, prime, and sub-prime categories (§ 125-138). The

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combination of Acosta and Business Wire teach a risk loan sampling tool. Tealdi teaches an automatic system for handling loans. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of underwriting a loan into different categories into the system of Acosta. As in Tealdi it is within the capabilities of one of ordinary skill in the art to add steps involved in loan processing to an invention which includes loan sampling. The technique of underwriting a loan including reject, prime, and sub-prime was well known in the art at the time of the invention.

56. Claims 70-71 are rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of Libman (US 2007/0043654).

57. Regarding claim 70, Acosta teaches wherein the loan aggregation tool includes an adverse selection query tool to aggregate the loans based on one or more loan parameters associated with a profile of the loan pool (col. 3, line 35-60). Acosta does not specifically teach wherein the sampling specifically involves loan risk. However, Business Wire teaches loan sampling in association with risk (pg. 1-2). Acosta teaches loan sampling based on various criteria while Business Wire teaches loan sampling specifically by the risk status of the loan. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of analyzing based on risk. Analyzing loans based on risk provides the ability to measure,

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and thereby improve, loan quality, while significantly reducing the operational costs of compliance. Improved loan quality attracts more and better borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a well known characteristic of a loan.

58. Regarding claim 71, Acosta teaches wherein the loan parameters include one or more numeric field values associated with the loans (col. 1, line 63 – col. 3, line 16). Acosta does not specifically teach wherein the sampling specifically involves loan risk. However, Business Wire teaches loan sampling in association with risk (pg. 1-2). Acosta teaches loan sampling based on various criteria while Business Wire teaches loan sampling specifically by the risk status of the loan. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of analyzing based on risk. Analyzing loans based on risk provides the ability to measure, and thereby improve, loan quality, while significantly reducing the operational costs of compliance. Improved loan quality attracts more and better borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a well known characteristic of a loan.

59. Claims 72 is rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of Tealdi (US 20010029482 A1) in further view of Libman (US 2007/0043654).

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60. Regarding claim 72, Acosta teaches loan sampling, while Business Wire teaches the loan sampling of high risk loans. The combination of Acosta and Business Wire does not specifically teach all the specific numeric fields as claimed. However, Tealdi teaches wherein the numeric field values include current balance, loan-to-value, combined loan-to-value, debt-to-income ratio, and delinquent (§§ 116, 128, 146, 169). The combination of Acosta and Business Wire teach a risk loan sampling tool. Tealdi teaches an automatic system for handling loans. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of the specific numeric field values. As in Tealdi it is within the capabilities of one of ordinary skill in the art to add steps involved in loan processing to an invention which includes loan sampling. The various values were well known in the art to be associated with loans. Acosta does not specifically teach analyzing by the number of days delinquent. However, Libman teaches including the number of days delinquent (see at least §§ 44-49). Acosta teaches servicing of loan portfolios and loan servicing portfolios. Libman teaches evaluating loans, and more particularly, to a system and method for providing a mortgage loan pricing model for various lending scenarios. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of associating days delinquent on paying a loan with risk. There is often a direct correlation between late payments and the risk associated with a specific loan. A loan defaults when the person who has the loan is unable to pay the loan. Thus if someone is delinquent in payment depending on the number of days late

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there is a greater chance as the payment is later and later of there eventually being a default on the account.

61. Claims 73-75 are rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of Libman (US 2007/0043654).

62. Regarding claim 73, Acosta teaches wherein loan parameters include one or more text field values associated with loans (col. 3, line 35 – col. 5, line 58).

63. Regarding claim 74, Acosta teaches wherein the text field values include property type, documentation type, origination channel, and product type (col. 3, lines 35-60).

64. Regarding claim 75, Acosta teaches sampling for a loan. Acosta does not specifically teach wherein the sampling specifically involves loan risk. Acosta does teach reporting loans, but does not teach the specific criteria of a high risk loan. However, Business Wire teaches wherein the loan aggregation tool includes a high risk reporting tool to aggregate the loans based on one or more high risk report categories (pg. 1-2). Acosta teaches loan sampling based on various criteria while Business Wire teaches loan sampling specifically by the risk status of the loan. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to



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include the details of analyzing based on risk. Analyzing loans based on risk provides the ability to measure, and thereby improve, loan quality, while significantly reducing the operational costs of compliance. Improved loan quality attracts more and better borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a well known characteristic of a loan.

65. Claims 76 is rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of Avery (1996) in further view of Libman (US 2007/0043654) in view of Jewell (1999) in further view of Cole (2002/0133371).

66. Regarding claim 76, the combination of Acosta and Business Wire teaches loan sampling involving risk. Acosta and Business Wire don't specifically teach all the specific high risk report categories. However, Avery teaches wherein the high risk report categories include high risk locations, portfolio concentrations, borrower concentrations, and zip code concentrations. Acosta teaches loan sampling based on various criteria while Business Wire teaches loan sampling specifically by the risk status of the loan. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of analyzing based on risk report categories. Analyzing loans based on risk provides the ability to measure, and thereby improve, loan quality, while significantly reducing the operational costs of compliance. Improved loan quality attracts more and better borrowers, while insuring a portfolio premium with

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investors and agencies. Risk is also a well known characteristic of a loan. The more categories analyzed the more information received on the loan and the better assessment that is made. Acosta does not specifically teach a high risk category being fraud results. However, Jewell teaches wherein fraud results are a high risk category. It would have been obvious at the time of the invention to modify Acosta with high risk categories including fraud results. When an individual commits fraud the individual has the intention of cheating a company or person out of money. As a business it is not wise to fall for any fraudulent attempts as it is a loss of profits. The more information received about a possible fraud attempt the better. Thus it is important to check fraud results when doing any type of high risk report in relation to any type of financial banking, including loans. This is further evidenced by Cole with teaches a method of detecting fraud in relation to mortgage or loan applications.

67. Claim 77 is rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of Tealdi (US 20010029482 A1) in further view of Libman (US 2007/0043654).

68. Regarding claim 77, Acosta teaches loan sampling, while Business Wire teaches the loan sampling of high risk loans. The combination of Acosta and Business Wire does not specifically teach all the specific numeric fields as claimed. However, Tealdi teaches wherein the risk results include automated underwriting results, adverse selection query results, and high risk profile results (¶ 64, 187-188, abstract). The

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combination of Acosta and Business Wire teach a risk loan sampling tool. Tealdi teaches an automatic system for handling loans. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of the specific risk results. As in Tealdi it is within the capabilities of one of ordinary skill in the art to add steps involved in loan processing to an invention which includes loan sampling. The various risk results were well known in the art at the time of the invention to be associated with loans.

69. Claims 78-80 are rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of Libman (US 2007/0043654).

70. Regarding claim 78, Acosta teaches wherein the sampling tool includes a loan selection tool to select an amount of loans from each result to fill the target loan sample size (col. 3, line 35-60 and col. 1, line 63 – col. 3, line 16, col. 9 line 11 - 25). Acosta does not specifically teach wherein the sampling specifically involves high risk loans. However, Business Wire teaches wherein the selection tool detects high risk loans including different risk results (pg. 1-2). Acosta teaches loan sampling based on various criteria while Business Wire teaches loan sampling specifically by the risk status of the loan. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of analyzing based on risk. Analyzing loans based on risk provides the ability to measure, and thereby improve, loan quality,

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while significantly reducing the operational costs of compliance. Improved loan quality attracts more and better borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a well known characteristic of a loan.

71. Regarding claim 79-80, Acosta teaches loan sampling based on criteria. Acosta does not specifically teach random sampling. However, Business Wire teaches wherein the loan selection tool randomly selects the loans to fill the target loan sample size (pg. 1-2). Acosta teaches loan sampling based on various criteria while Business Wire teaches loan sampling specifically by the risk status of the loan. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of random sampling. Random sampling's benefits lie in simple probability given a large enough sample, a random selection should produce a representative cross-section of the thing being sampled. It is important for the purposes of analyzing the most data representative data possible.

72. Claim 81 is rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of Libman (US 2007/0043654), in further view of Olin (US 7184981 B2).

73. Regarding claim 81, Acosta teaches a loan pool module to store loan-level data associated with each of one or more loans in a loan pool (col. 3, line 35-60 and col. 1, line 63 – col. 3, line 16). Acosta teaches a loan pool module to store loan-level data

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associated with each of one or more loans in a loan pool (col. 3, line 35-60 and col. 1, line 63 – col. 3, line 16). Acosta teaches a sample selection module to detect samples of different criteria in the loan pool, the sample selection module including a loan aggregation tool to aggregate the loans into a plurality of specific criteria results based on the loan-level data, and a sampling tool to select an amount of the loans from the plurality of results of a specific criteria up to a designated target loan sample size (col. 3, line 35-60 and col. 1, line 63 – col. 3, line 16, col. 9, lines 11-25). Acosta does not specifically teach wherein the sampling specifically involves high risk loans. However, Business Wire teaches wherein the selection tool detects high risk loans including different risk results (pg. 1-2). Acosta teaches loan sampling based on various criteria while Business Wire teaches loan sampling specifically by the risk status of the loan. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of analyzing based on risk. Analyzing loans based on risk provides the ability to measure, and thereby improve, loan quality, while significantly reducing the operational costs of compliance. Improved loan quality attracts more and better borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a well known characteristic of a loan. Acosta does not specifically teach aggregating a plurality of loans in a loan pool into a plurality of risk results or selecting an amount of a plurality of loans from each of a plurality of risk results to make a sample size. However, Libman teaches aggregating a plurality of loans in the loan pool into a plurality of risk results based on the loan-level data (¶¶ 37-46, 57). Libman also teaches selecting an amount of the plurality of loans from each of the plurality of

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risk results up to a designated target loan sample size (§ 37-46, 57). Acosta teaches servicing of loan portfolios and loan servicing portfolios. Libman teaches evaluating loans, and more particularly, to a system and method for providing a mortgage loan pricing model for various lending scenarios. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of analyzing based on risk. Analyzing loans based on risk provides the ability to measure, and thereby improve, loan quality, while significantly reducing the operational costs of compliance. Improved loan quality attracts more and better borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a well known characteristic of a loan. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of aggregating loans into a loan pool based on risk. Effective management of the loan pool's risk requires understanding and control of the risk profile and its culture. There must have a thorough knowledge of the pool's composition and its inherent risks. It is important to understand a pools mix, industry and geographic concentrations, average risk ratings, and other aggregate characteristics. The policies, processes, and practices implemented to control the risks of individual loans and portfolio segments must be sound. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include selecting an amount of loans from the risk results to a designated loan sample size. A target loan sample size allows the investor to control the number of loans in the pool but also allows for a control of the risk. The greater the number of high risk investments involved in the pool the more risk the investor will have. The

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combination of Acosta, Business Wire, and Libman does not specifically go into the details of selecting based on underwriting categories, loan parameters associated with a risk profile of the loan pool, and one or more high risk report categories. However, Olin teaches a first tool to aggregate a plurality of loans in a loan pool into a plurality of risk results based on the loan-level data, one or more underwriting categories, one or more loan parameters associated with a risk profile of the loan pool, and one or more high risk report categories (see at least col. 4, line 66 – col. 5, line 19). This known technique is applicable to the system of Acosta as they both share characteristics, namely, they are both directed to analyzing various loans in loan pools. One of ordinary skill in the art would have recognized that applying the known technique of Olin would have yielded predictable results and resulted in an improved system. It would have been recognized that applying the technique of Olin to the teachings of Acosta would have yielded predictable results because the level of ordinary skill in the art demonstrated by the references applied shows the ability to incorporate such loan pooling risk analysis into similar systems. Further, applying an aggregate feature based on varies categories, risk profiles, and high risk report categories would have been recognized by those of ordinary skill in the art as resulting in an improved system that would allow a better understanding and selection criteria for the individual who is creating the pool. The more information available for the loans as well as risk profile information for the pools leads to a better selection of loans for the pools as well as a better understanding of possible risk for the investor.

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74. Claims 82 is rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of Libman (US 2007/0043654) in further view of Olin (US 7184981 B2).

75. Regarding claim 82, Acosta teaches designating a target loan sample size (col. 3, line 35-60 and col. 1, line 63 – col. 3, line 16). Acosta teaches aggregating loans in a loan pool into a plurality of results based on loan-level data associated with each of one or more loans in the loan pool (col. 3, line 35-60 and col. 1, line 63 – col. 3, line 16, col. 9, lines 11-25). Acosta teaches selecting an amount of loans from the plurality of results up to the designated target loan sample size (col. 3, line 35-60 and col. 1, line 63 – col. 3, line 16, col. 9, lines 11-25, col. 9, lines 11-25). Acosta does not specifically teach wherein the sampling specifically involves high risk loans. However, Business Wire teaches wherein the selection tool detects high risk loans including different risk results (pg. 1-2). Acosta teaches loan sampling based on various criteria while Business Wire teaches loan sampling specifically by the risk status of the loan. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of analyzing based on risk. Analyzing loans based on risk provides the ability to measure, and thereby improve, loan quality, while significantly reducing the operational costs of compliance. Improved loan quality attracts more and better borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a well known characteristic of a loan. Acosta does not specifically teach aggregating a plurality of loans in a loan pool into a plurality of risk results or selecting an amount of a



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plurality of loans from each of a plurality of risk results to make a sample size. However, Libman teaches aggregating loans in a loan pool into a plurality of risk results based on the loan-level data associated with each of one or more loans in the loan pool (§ 37-46, 57). Libman also teaches selecting an amount of the plurality of loans from each of the plurality of risk results up to a designated target loan sample size (§ 37-46, 57). Acosta teaches servicing of loan portfolios and loan servicing portfolios. Libman teaches evaluating loans, and more particularly, to a system and method for providing a mortgage loan pricing model for various lending scenarios. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of analyzing based on risk. Analyzing loans based on risk provides the ability to measure, and thereby improve, loan quality, while significantly reducing the operational costs of compliance. Improved loan quality attracts more and better borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a well known characteristic of a loan. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of aggregating loans into a loan pool based on risk. Effective management of the loan pool's risk requires understanding and control of the risk profile and its culture. There must have a thorough knowledge of the pool's composition and its inherent risks. It is important to understand a pools mix, industry and geographic concentrations, average risk ratings, and other aggregate characteristics. The policies, processes, and practices implemented to control the risks of individual loans and portfolio segments must be sound. It would have been obvious to one of ordinary skill in the art at the time of the

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invention to modify Acosta to include selecting an amount of loans from the risk results to a designated loan sample size. A target loan sample size allows the investor to control the number of loans in the pool but also allows for a control of the risk. The greater the number of high risk investments involved in the pool the more risk the investor will have. The combination of Acosta, Business Wire, and Libman does not specifically go into the details of selecting based on underwriting categories, loan parameters associated with a risk profile of the loan pool, and one or more high risk report categories. However, Olin teaches a first tool to aggregate a plurality of loans in a loan pool into a plurality of risk results based on the loan-level data, one or more underwriting categories, one or more loan parameters associated with a risk profile of the loan pool, and one or more high risk report categories (see at least col. 4, line 66 – col. 5, line 19). This known technique is applicable to the system of Acosta as they both share characteristics, namely, they are both directed to analyzing various loans in loan pools. One of ordinary skill in the art would have recognized that applying the known technique of Olin would have yielded predictable results and resulted in an improved system. It would have been recognized that applying the technique of Olin to the teachings of Acosta would have yielded predictable results because the level of ordinary skill in the art demonstrated by the references applied shows the ability to incorporate such loan pooling risk analysis into similar systems. Further, applying an aggregate feature based on varies categories, risk profiles, and high risk report categories would have been recognized by those of ordinary skill in the art as resulting in an improved system that would allow a better understanding and selection criteria for the individual

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who is creating the pool. The more information available for the loans as well as risk profile information for the pools leads to a better selection of loans for the pools as well as a better understanding of possible risk for the investor.

76. Claim 83 is rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of Libman (US 2007/0043654), in further view of Olin (US 7184981 B2).

77. Regarding claim 83, Acosta teaches a computer with a storage medium with instructions. Acosta teaches designating a target loan sample size (col. 3, line 35-60 and col. 1, line 63 – col. 3, line 16). Acosta teaches aggregating loans in a loan pool into a plurality of results based on loan-level data associated with each of one or more loans in the loan pool (col. 3, line 35-60 and col. 1, line 63 – col. 3, line 16, col. 9, lines 11-25). Acosta teaches selecting an amount of loans from the plurality of results up to the designated target loan sample size (col. 3, line 35-60 and col. 1, line 63 – col. 3, line 16, col. 9, lines 11-25, col. 9, lines 11-25). Acosta does not specifically teach wherein the sampling specifically involves high risk loans. However, Business Wire teaches wherein the selection tool detects high risk loans including different risk results (pg. 1-2). Acosta teaches loan sampling based on various criteria while Business Wire teaches loan sampling specifically by the risk status of the loan. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of analyzing based on risk. Analyzing loans based on risk provides the ability to

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measure, and thereby improve, loan quality, while significantly reducing the operational costs of compliance. Improved loan quality attracts more and better borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a well known characteristic of a loan. Acosta does not specifically teach aggregating a plurality of loans in a loan pool into a plurality of risk results or selecting an amount of a plurality of loans from each of a plurality of risk results to make a sample size. However, Libman teaches aggregating loans in a loan pool into a plurality of risk results based on loan-level data associated with each of one or more loans in the loan pool (§§ 37-46, 57). Libman also teaches selecting an amount of loans from each of the plurality of risk results up to a designated target loan sample size (§§ 37-46, 57). Acosta teaches servicing of loan portfolios and loan servicing portfolios. Libman teaches evaluating loans, and more particularly, to a system and method for providing a mortgage loan pricing model for various lending scenarios. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of analyzing based on risk. Analyzing loans based on risk provides the ability to measure, and thereby improve, loan quality, while significantly reducing the operational costs of compliance. Improved loan quality attracts more and better borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a well known characteristic of a loan. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of aggregating loans into a loan pool based on risk. Effective management of the loan pool's risk requires understanding and control of the risk profile and its culture. There must have a thorough

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knowledge of the pool's composition and its inherent risks. It is important to understand a pools mix, industry and geographic concentrations, average risk ratings, and other aggregate characteristics. The policies, processes, and practices implemented to control the risks of individual loans and portfolio segments must be sound. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include selecting an amount of loans from the risk results to a designated loan sample size. A target loan sample size allows the investor to control the number of loans in the pool but also allows for a control of the risk. The greater the number of high risk investments involved in the pool the more risk the investor will have. The combination of Acosta, Business Wire, and Libman does not specifically go into the details of selecting based on underwriting categories, loan parameters associated with a risk profile of the loan pool, and one or more high risk report categories. However, Olin teaches a first tool to aggregate a plurality of loans in a loan pool into a plurality of risk results based on the loan-level data, one or more underwriting categories, one or more loan parameters associated with a risk profile of the loan pool, and one or more high risk report categories (see at least col. 4, line 66 – col. 5, line 19). This known technique is applicable to the system of Acosta as they both share characteristics, namely, they are both directed to analyzing various loans in loan pools. One of ordinary skill in the art would have recognized that applying the known technique of Olin would have yielded predictable results and resulted in an improved system. It would have been recognized that applying the technique of Olin to the teachings of Acosta would have yielded predictable results because the level of ordinary skill in the art demonstrated by the

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references applied shows the ability to incorporate such loan pooling risk analysis into similar systems. Further, applying an aggregate feature based on varies categories, risk profiles, and high risk report categories would have been recognized by those of ordinary skill in the art as resulting in an improved system that would allow a better understanding and selection criteria for the individual who is creating the pool. The more information available for the loans as well as risk profile information for the pools leads to a better selection of loans for the pools as well as a better understanding of possible risk for the investor.

### ***Conclusion***

Any inquiry concerning this communication or earlier communications from the examiner should be directed to JAMIE H. SWARTZ whose telephone number is (571)272-7363. The examiner can normally be reached on 8:00am-4:30pm Monday-Friday.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Kambiz Abdi can be reached on (571)272-6702. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/J. H. S./  
Examiner, Art Unit 3684

/Susanna M. Diaz/  
Primary Examiner, Art Unit 3684